Reasons for high export growth

787. SHRI S.M. LALJAN BASHA: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether it is a fact that exports crossed US Dollars 60 billion in the first ten months of this fiscal year;

(b) whether it is a fact that this figure is 26 per cent higher than the figure of exports for the corresponding period last fiscal years;

(c) to what extent is this high export figure due to the falling value of the US Dollar;

(d) what were the actual exports in rupee terms for this 10 months period; and

(e) steps proposed to carefully encourage exports in such sectors which are not dependent on oil for their production?

THE MINISTER OF COMMERCE AND INDUSTRY (SHRI KAMAL NATH): (a) and (b) Yes, Sir.

(c) More than exchange rate variations, the significant increase in exports during the current financial year was on account of the growing competitiveness of the Indian manufacturing sector and the vigorous export-led growth strategy followed by the Government for doubling India's share in global merchandise trade in the next five years.

(d) In rupee terms, exports are provisionally valued at Rs. 2,74,314 crores during April-January, 2004-05.

(e) One of the strategies announced in the Foreign Trade Policy (FTP) of August 2004 was to give special thrust to Agriculture, Handlooms, Handicraft, Gems & Jewellery and Leather sectors, which besides being labour intensive sectors, are also not oil dependent sectors.

Profit and loss making foreign investors

788. SHRI EKANATH K. THAKUR: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) the number and size of foreign investors in India making profit and the percentage of foreign investors who have reached break even; and

(b) the number and size of foreign investors who make losses?

THE MINISTER OF COMMERCE AND INDUSTRY (SHRI KAMAL NATH): (a) and (b) Information on the number or size of foreign companies making profits, breaking even or incurring losses is not maintained by the Government. However, a study conducted by the Federation of Indian Chamber of Commerce & Industry (FICCI) based on a sample survey of foreign companies doing business in India found that 77% of them were making profits and 9% were breaking even.

Measures to improve the Tea Industry

789. SHRI SILVIUS CONDPAN: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) what are the measures adopted by Government to improve the sick Tea Industries in Assam, West Bengal, Tripura, Karnataka and Kerala;

(b) whether Government has made any in-depth studies regarding claims of various tea garden managements on causes of the sickness of their companies; and

(c) if so, what are the findings?

THE MINISTER OF COMMERCE AND INDUSTRY (SHRI KAMAL NATH): (a) Several measures have been taken by the Government to assist the tea industry in India. These include setting up of a special fund with collections of additional duty of excise on tea Re. 1 per kg. during the years 2003-04 and 2004-05 for the long term development and modernisation of the tea plantation sector, implementation of a Special Tea Term Loan envisaging restructuring/rephasing of irregular portion of outstanding term/ working capital loans in the tea sector with repayment over 5 to 7 years with a moratorium of 1 year, implementation of a price subsidy scheme for small tea growers, introduction of a Price sharing formula for ensuring fair return to small growers, launching of quality upgradation programme aimed at improving the quality of tea and thereby improving the prices etc. in addition, in the Union Budget for 2005-06, the additional excise duty of Rs. 1/- per kg. on tea has been withdrawn.

(b) and (c) In order to address the problems of the closed tea gardens in the country, in January 2003, the Government of India had appointed three Expert Committees to make an in-depth study of the closed tea gardens in the States of West Bengal, Kerala, Assam & Tripura. These Expert Committees studied 36 gardens which were lying closed in 2002. The main causes for sickness/closure as identified by the Committees include